

United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
National Business Center  
Denver Federal Center, Building 50  
P.O. Box 25047  
Denver, Colorado 80225-0047  
<http://www.blm.gov/nbc>

In Reply Refer To:  
1520 (BC-653)P

March 6, 2003

EMS TRANSMISSION

Instruction Memorandum No. BC-2003-029

Expires: 9/30/2004

To: All Washington Office and Field Office Officials  
Attn: Fleet and Property Managers

From: Director, National Business Center

Subject: Reporting Requirements for WCF Sales of Vehicles and Heavy Equipment

Program Area: Working Capital Fund (WCF) Vehicles and Heavy Equipment

Purpose: This Instruction Memorandum (IM) sets forth requirements for all vehicles and heavy equipment being reported for sale.

Policy/Action: Vehicles and heavy equipment being reported for sale must have a current certification of condition and must be brought up to BLM safety standards prior to selling them. WCF funds are available to do this up to limits that are based on the age and value of the vehicle. Safety standards are identified under "General Requirements for Sale" below.

Additionally, a completed Annual Motor Vehicle Maintenance/Safety Checklist (Form 1520-35) must accompany all vehicles reported as available property. The inspection must have occurred within the previous 3 months or 3,000 miles to be considered current. A copy of Form 1520-35 should also be kept with the vehicle and verified by the buyer or Bureau of Land Management (BLM) office receiving the vehicle. Any discrepancies should be annotated in the Remarks area of the form.

General Requirements for Sale - WCF funds will cover routine engine maintenance, brakes, and routine operational deficiencies (burned-out light bulbs, wiper replacement, etc.)

Repairs that must be charged to benefiting activities include:

- Any and all damage as a result of an accident
- Body damage where the paint has been broken
- If a vehicle has been neglected so that large areas of paint have deteriorated and the metal has begun to corrode
- Repairs required that are not due to normal field use, i.e., broken or bent parts caused by hitting rocks or trees, damage caused by neglect (e.g., not installing air filters properly, causing the engine to wear prematurely)

Damages that do not have to be repaired include the rubs and dings that do not break the paint. However, these do have to be documented with photographs so the buyer or transferee can see what they're getting.

As an alternative where the overall condition of the vehicle may not warrant extensive repairs, the BLM can advertise the vehicle "as is," sell it, and then compare the proceeds from the sale with the normal return on similar vehicles. The responsible office must then send BC-653 a cost code for the difference. For instance, a vehicle is estimated to need \$3,000 in repairs (body damage, etc.) and the vehicle should be worth \$7,000, based on comparable sales reports. If the vehicle sells for only \$4,500, in proceeds, then the office would need to send a requisition with a benefiting activity charge code for \$2,500.

IM BC-2002-079 is hereby rescinded and Form 1520-57 is cancelled.

Timeframe: This IM is effective immediately upon receipt.

Budget Impact: There will be only minimal costs to implement these actions. There is a potential revenue increase to the WCF from sales because the BLM's fleet will be in better condition and we will be providing the public with more accurate descriptions of vehicles being sold. The WCF revenue increase would lower the fixed ownership rate paid by all BLM offices. Additionally, our BLM employees will be traveling in safe, properly working vehicles, reducing costs related to potential accidents and breakdowns.

Background: The BLM continues to experience claims from the public resulting from inaccurate descriptions and undisclosed mechanical defects for vehicles being sold. In some cases, BLM employees have been using potentially unsafe vehicles prior to them being made available for transfer or sale. Field offices are then turning these unsafe vehicles in for transfer to other BLM offices or selling them to the public without making repairs. If proper maintenance is not done, we are subjecting BLM employees to unsafe working conditions and are putting the Bureau in a position of liability for having

unsafe vehicles on the road. Additionally, when vehicles are repaired “after the fact,” the repairs must be funded by the benefiting subactivity.

3

The BLM has had instances where buyers have traveled long distances, only to find the vehicle they have purchased is not in the condition advertised. The customer either drives home in an unsafe vehicle, loses time while the vehicle is being repaired, or goes home without a vehicle, all at the accountable office's expense. This lack of attention to our fleet disposal process not only places employees and customers in danger, but also creates a bad image of the BLM in the eyes of our customers.

Manual/Handbook Sections Affected: BLM Manual 1520 and 1525.

Coordination: This IM was coordinated with Property, Acquisition, & Headquarters Services (WO-850), Property Operations (BC-653), and the National & Denver Centers Support Programs Branch (BC-652).

Contact: Please contact Gwen Rush, Property Utilization Specialist, BC-653, at 303-236-9465 if you have any questions or concerns.

Signed by:  
Thomas F. Boyd  
Director, National Business Center

Authenticated by:  
Lynne J. Lotvedt  
Staff Assistant

Distribution  
ST-150, BLM Library